

## § 321.2

*Taxpayer identifying number* means a social security account number or an employer identification number.

[53 FR 37511, Sept. 26, 1988; 53 FR 39581, Oct. 7, 1988, as amended at 55 FR 35395, Aug. 29, 1990; 59 FR 10536, Mar. 4, 1994; 63 FR 38042, July 14, 1998; 76 FR 16166, Mar. 20, 2012]

### Subpart B—Procedures for Qualification

#### § 321.2 Eligible organizations.

(a) Organizations eligible to apply for qualification and to serve as paying agents are commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, or similar financial institutions which:

(1) Are incorporated under Federal law or the laws of a State, territory or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico;

(2) In the usual course of business accept, subject to withdrawal, funds for deposit or the purchase of shares;

(3) Are under the supervision of a federal or state regulatory agency or equivalent authority; and

(4) Maintain regular offices for the transaction of business.

(b) An organization that desires to redeem securities must first qualify as a paying agent. An organization that has qualified and is serving as a paying agent must:

(1) Submit redeemed securities directly to a Federal Reserve Processing Site in accordance with the Federal Reserve Operating Circular; and

(2) Have the ability to receive payment of applicable fees by ACH, or arrange to obtain one or more of these services from another financial institution.

[53 FR 37511, Sept. 26, 1988, as amended at 59 FR 10536, Mar. 4, 1994; 77 FR 16166, Mar. 20, 2012]

#### § 321.3 Procedure for qualifying and serving as paying agent.

(a) *Execution of application-agreement.*

(1) An eligible organization wishing to act as a paying agent shall obtain from, execute, and file an application-

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agreement with a TRS Site. The terms of each application-agreement shall include a reference to the following provisions to which paying agents are subject:

(i) The provisions prescribed by section 202 of Executive Order 11246, entitled “Equal Employment Opportunity”, as amended (42 U.S.C. 2000e note); and

(ii) The provisions of the Privacy Act of 1974, as amended (5 U.S.C. 552a), and regulations issued pursuant thereto (31 CFR part 1, subpart C).

(2) For the purpose of these regulations, all eligible institutions shall make application to a TRS Site.

(b) *Qualification.* A TRS Site, as fiscal agent of the United States, is authorized to qualify any eligible organization that possesses adequate authority under its charter to act as paying agent. Upon approval of an application-agreement, a TRS Site will issue a certificate of qualification to the organization. Such a certificate automatically qualifies the branches of the organization to redeem securities as provided in this part.

(c) *Announcement of authority.* Upon receipt of a certificate of qualification from a TRS Site, a financial institution may announce or advertise its authority to redeem eligible securities for cash and to process eligible Series E and EE savings bonds and savings notes presented for redemption in exchange for Series HH savings bonds under the provisions of Department of the Treasury Circular, Public Debt Series No. 2–80 (31 CFR part 352).

(d) *Adverse action.* A TRS Site will notify an organization in writing if its application-agreement to act as paying agent is not approved.

[53 FR 37511, Sept. 26, 1988, as amended at 55 FR 35395, Aug. 29, 1990; 59 FR 10537, Mar. 4, 1994; 63 FR 38042, July 14, 1998; 77 FR 16166, Mar. 20, 2012]

#### § 321.4 Paying agents previously qualified.

Institutions qualified as paying agents under previous revisions of this part are authorized to continue to act in that capacity without requalification. By so acting, they shall be subject to the terms and conditions of their previously executed application-